

State of Arizona
Senate
Forty-seventh Legislature
Second Regular Session
2006

SENATE BILL 1442

AN ACT

AMENDING TITLE 36, CHAPTER 29, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 36-2930; MAKING AN APPROPRIATION; RELATING TO THE ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:
Section 1. Title 36, chapter 29, article 1, Arizona Revised Statutes,
is amended by adding section 36-2930, to read:

36-2930. Temporary medical coverage program: qualifications: fund: program termination

A. THE TEMPORARY MEDICAL COVERAGE PROGRAM IS ESTABLISHED. BEGINNING OCTOBER 1, 2006, THE ADMINISTRATION SHALL ESTABLISH ELIGIBILITY FOR THE PROGRAM FOR ANY UNINSURED PERSON WHO MEETS THE FOLLOWING REQUIREMENTS:

1. HAS BEEN A RESIDENT OF THIS STATE FOR AT LEAST TWENTY-FOUR MONTHS BEFORE THE PERSON SUBMITS AN APPLICATION PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION.

2. IS A CITIZEN OF THE UNITED STATES OR A LEGAL RESIDENT THAT MEETS THE REQUIREMENTS OF SECTION 36-2903, SUBSECTION B OR C.

3. SUBMITS AN APPLICATION AS PRESCRIBED BY THE ADMINISTRATION.

4. HAS BEEN ELIGIBLE FOR SERVICES PURSUANT TO SECTION 36-2901, PARAGRAPH 6 OR SECTION 36-2931, PARAGRAPH 5 AND ENROLLED IN THE SYSTEM AT ANY TIME WITHIN TWENTY-FOUR MONTHS BEFORE THE PERSON SUBMITS AN APPLICATION PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION.

5. IS RECEIVING BENEFITS PURSUANT TO 42 UNITED STATES CODE SECTION
423.

6. IS NOT ELIGIBLE FOR MEDICARE BENEFITS PURSUANT TO 42 UNITED STATES CODE SECTION 426(b) OR SECTION 426-1.

7. HAS NOT RECEIVED SERVICES PURSUANT TO SECTION 36-2912 AT ANY TIME WITHIN TWENTY-FOUR MONTHS BEFORE THE PERSON SUBMITS AN APPLICATION PURSUANT TO PARAGRAPH 3 OF THIS SUBSECTION.

B. THE DIRECTOR MAY ADOPT RULES TO IMPLEMENT THE PROGRAM AND THE REQUIREMENTS OF THIS SECTION AND TO PRESCRIBE THE FOLLOWING:

1. THE APPLICATION PROCESS.

2. ACTUARILY SOUND CAPITATION RATES.

3. THE COLLECTION OF MONTHLY PREMIUMS FROM PROGRAM ENROLLEES. MONTHLY PREMIUMS SHALL NOT EXCEED THE CAPITATION RATE PAID TO HEALTH PLANS FOR THE ENROLLEE AND SHALL BE BASED ON THE ENROLLEE'S GROSS HOUSEHOLD INCOME WITH TIERED PREMIUMS FOR ANY ENROLLEE WHOSE INCOME IS:

(a) MORE THAN ONE HUNDRED BUT NOT MORE THAN ONE HUNDRED FIFTY PER CENT OF THE FEDERAL POVERTY GUIDELINES.

(b) MORE THAN ONE HUNDRED FIFTY BUT NOT MORE THAN TWO HUNDRED PER CENT OF THE FEDERAL POVERTY GUIDELINES.

(c) MORE THAN TWO HUNDRED BUT NOT MORE THAN TWO HUNDRED FIFTY PER CENT OF THE FEDERAL POVERTY GUIDELINES.

(d) MORE THAN TWO HUNDRED FIFTY BUT NOT MORE THAN THREE HUNDRED PER CENT OF THE FEDERAL POVERTY GUIDELINES.

(e) MORE THAN THREE HUNDRED PER CENT OF THE FEDERAL POVERTY GUIDELINES.

C. ALL COVERED SERVICES SHALL BE PROVIDED BY HEALTH PLANS THAT HAVE CONTRACTS WITH THE ADMINISTRATION PURSUANT TO SECTION 36-2906.

1 D. UNLESS OTHERWISE REQUIRED BY THE ADMINISTRATION, THE HEALTH PLANS
2 SHALL PROVIDE MEDICALLY NECESSARY HEALTH AND MEDICAL SERVICES AS REQUIRED BY
3 SECTION 36-2907.

4 E. A PERSON WHO IS ENROLLED IN THE PROGRAM MUST NOTIFY THE
5 ADMINISTRATION IF THE PERSON BECOMES ELIGIBLE FOR MEDICARE BENEFITS THROUGH
6 42 UNITED STATES CODE SECTION 426(b) OR SECTION 426-1. A PERSON WHO IS
7 ENROLLED IN THE PROGRAM AND WHO BECOMES ELIGIBLE FOR MEDICARE BENEFITS IS
8 INELIGIBLE FOR THE PROGRAM.

9 F. IF THE DIRECTOR DETERMINES THAT MONIES MAY BE INSUFFICIENT FOR THE
10 PROGRAM, THE ADMINISTRATION MAY STOP PROCESSING APPLICATIONS UNTIL THE
11 ADMINISTRATION IS ABLE TO VERIFY THAT FUNDING IS SUFFICIENT TO FUND THE
12 PROGRAM.

13 G. THE TEMPORARY MEDICAL COVERAGE FUND IS ESTABLISHED CONSISTING OF
14 PREMIUMS COLLECTED FROM ENROLLEES PURSUANT TO SUBSECTION B OF THIS SECTION,
15 LEGISLATIVE APPROPRIATIONS, GIFTS, GRANTS AND DONATIONS RECEIVED BY THE
16 ADMINISTRATION TO OPERATE THE PROGRAM. THE ADMINISTRATION SHALL USE FUND
17 MONIES TO PAY FOR THE SERVICES AND COSTS ASSOCIATED WITH PERSONS WHO ARE
18 ELIGIBLE PURSUANT TO THIS SECTION. ON NOTICE FROM THE ADMINISTRATION, THE
19 STATE TREASURER SHALL INVEST AND DIVEST MONIES IN THE FUND AS PROVIDED BY
20 SECTION 35-313, AND MONIES EARNED FROM INVESTMENT SHALL BE CREDITED TO THE
21 FUND. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.

22 H. THE PROGRAM ESTABLISHED BY THIS SECTION ENDS ON JULY 1, 2016
23 PURSUANT TO SECTION 41-3102.

24 Sec. 2. Appropriation; purpose; exemption

25 A. The sum of \$8,686,800 is appropriated from the state general fund
26 in fiscal year 2006-2007 to the Arizona health care cost containment system
27 administration for the purposes of this act.

28 B. The appropriation made in subsection A of this section is exempt
29 from the provisions of section 35-190, Arizona Revised Statutes, relating to
30 lapsing of appropriations.

31 Sec. 3. Emergency

32 This act is an emergency measure that is necessary to preserve the
33 public peace, health or safety and is operative immediately as provided by
34 law.